

Victoria Village at Colorado Springs HOA, Inc.
Board of Directors Meeting Minutes
February 19, 2008

The Victoria Village HOA Board of Directors meeting was held at the Knights of Columbus hall on February 19, 2008. Board President, John Smith, called the meeting to order at 7:06 p.m. In attendance were John Smith (President), Rick Poole (Vice President), Frank LoBosco (Treasurer), Betty Johnson (Secretary), Iwan Biereichel (Director at Large), Sydne Ebel (Director at Large), Lenore Morales (Director at Large), and Kerry Cantrell (Z&R Property Management).

Open Forum

Sheila Downing (3308) reported that a yellow lab that lives behind her is always tethered outside, and the tether allows the dog to roam beyond the rock area. Mr. Biereichel said he had already notified Mr. Cantrell of this, and Mr. Cantrell has already sent a letter to the owner/resident. Ms. Downing also reported that she and 3 others fell around Christmas on a patch of ice directly in front of her unit. The sidewalk in that area is settling and allows water to pool and freeze, so the sidewalk needs to be "mudjacked." Ms. Downing volunteered to survey the entire Victoria Village complex (to be assisted by Ms. Morales) and notify Mr. Cantrell of areas that appear to need mudjacking. Mr. Smith moved (Ms. Johnson seconded) that Mr. Cantrell get bids for mudjacking by the March meeting. Motion carried unanimously. The Board will determine a schedule for repairs after reviewing the bids, with the goal of having the work completed by June 30, 2008.

An Owner reported that the owner/resident in 3351 is noisy (playing loud music, having visitors come and go) during "quiet hours." Also, trash is not being stored properly in trash cans. Another owner confirmed this report. Ms. Johnson recommended that the police be called if the noise continues. Mr. Poole said he has talked to the owner/resident in 3351 about these problems in the past and is willing to talk to her again. Mr. Cantrell will send a warning letter regarding these complaints to begin the notification process that may lead to a hearing. Mr. Cantrell asked the reporting owners to notify him if the problems are still occurring in 10 days so that he can send a second letter. An owner also brought up the issue of trash cans and recommended that there be a stated deadline for removing trash cans from the pick-up area. She reported that her trash can was taken away by someone at around 10 a.m. on a Friday morning. The Board responded that it does not remove trash cans that are not retrieved, so the owner's trash can apparently was "stolen."

Wayne Denniston asked for clarification regarding whether covered trash cans can be stored on a back patio. Mr. Smith responded that covered trash cans can be stored there but should not be able to be seen from other units. The Board will review the rules and regulations to be sure we're giving consistent information and will give more specific instruction in the next newsletter in May.

Marcia Fields asked for clarification on what account several expenses were paid from: Work on retaining wall (Mr. LoBosco responded that this was paid from reserves), concrete work and railing repairs (Mr. LoBosco responded that the work would be paid from reserves if the work is for capital improvement and is a qualified reserve expense. Otherwise, the work would be paid from operating expenses, especially if the cost was under \$1,000), exterior painting (Mr. LoBosco responded that this was paid from operating expenses, per IRS

guidelines), parking lot resealing in August 2007 (Mr. LoBosco responded that this was paid from reserves). Ms. Fields also asked for clarification on accounts receivable. Mr. LoBosco responded that the total accounts receivable are \$49,910: \$20,000 allowance for bad debt and \$29,910 net receivables. Ms. Fields also asked about the status of the request from 3350 for reimbursement of legal fees. Mr. Cantrell reported that the Board had denied this request and a letter has been sent to the owner/resident.

Meeting Minutes

The Board reviewed the minutes of the October 16, 2007 meeting. Mr. LoBosco moved (Mr. Poole seconded) that the minutes as they appear in the February 19, 2008 meeting packet be approved. Motion carried 6 votes to 1 (Ms. Ebel abstained).

The Board reviewed the minutes of the January 15, 2008 meeting. One correction is needed: in the final paragraph, Mr. LoBosco seconded the motion to adjourn the meeting. Mr. LoBosco moved (Mr. Smith seconded) that the minutes be approved as corrected. Motion carried unanimously.

President's Report

Mr. Smith reported on four items:

1. He is looking into having a bulletin board installed near the pool so that meeting notices, minutes, etc. can be posted. The bulletin board would measure 4 feet by 4 feet maximum and would be covered by some sort of "plexiglass" that can be locked. Mr. Smith will bring specific recommendations to the March meeting.
2. All American needs to trim the vines or shrubs along the fence along the north/northwest side of the property so that we can see what fence repairs may need to be made.
3. A budget has been established for the pool party and for prizes for holiday decorations, but the Board still has to approve expenditures for these events. Mr. LoBosco moved (Ms. Johnson seconded) that the Board give standing approval to spend up to \$500 for the pool party and up to \$500 for prizes for holiday decorations. Motion carried unanimously.
4. At the March 18 meeting, the Board needs to outline major expenses it foresees coming so that money can be allocated. These expenses may include exterior painting, parking lot repaving, fence repair or replacement, pool repairs. Mr. LoBosco moved (Ms. Morales seconded) that Mr. Biereichel and Mr. Poole form a committee to review the property and the reserve study and to make recommendations to the Board at the March 18 meeting regarding upcoming expenditures from the reserve account. Motion carried unanimously.

Finance Report

Mr. LoBosco reviewed the attorney's Collection Status Report (p. 16 ff. of the meeting packet). He recommended going to a collection agency, instead of pursuing judgments through the attorney, unless a property has not gone to foreclosure. When a property has not gone to foreclosure, the Board may want to continue with legal action through the attorney. Ms. Johnson recommended going to a collection agency after the lien but before foreclosure with future accounts in order to save legal fees.

Mr. LoBosco addressed certain specific properties from the Collection Status Report (p. 16 ff) and the Aged Receivables (pp. 12-13 of the meeting packet):

- 3316: if the property was sold (not foreclosed), why didn't the HOA collect the full amount? Ms. Johnson will check the status of the sale.
- 3532: recommends sending to collection.
- 3305: recommends sending to collection.
- 3320: recommends sending to collection.

It appears there has been no attorney action on the following properties: 3451, 3455, 3473, 3503, 3635. Mr. Cantrell will check with the attorney regarding the status on these properties. OK to go to the attorney for lien on these properties.

3539: attorney is already pursuing this.

Mr. LoBosco wants to keep accounts in collection on the Aged Receivables report (or on a separate report) so that the Board can clearly see the status and progress.

Manager's Report

Mr. Cantrell reviewed the proposal from Credit Systems Inc., a local collection agency. He reported that Z&R has used this agency for collections in Z&R's single-family division and that Z&R is satisfied with the agency's service. Because of the steps the Board takes prior to collection, the fee would always be 50%. Mr. LoBosco moved (Mr. Smith seconded) to contract with Credit Systems Inc. as the Board's collection agency. Motion carried unanimously.

Mr. Cantrell pointed out the letter dated January 10, 2008 from Orten Cavanagh Richmond & Holmes (p. 38 of the meeting packet) regarding the recommended "notice of address." This would be another "tool" in the foreclosure process. Mr. Smith moved (Ms. Johnson seconded) to accept OCRH's recommendation and to instruct OCRH to prepare and record the notice described in their letter. Motion carried unanimously.

Old/New Business

- By-law amendment and decks: The amendment was passed at the November 2007 annual meeting, but there were not enough votes overall to make the vote official. Mr. Smith recommended proceeding with the attorney's recommendation (pp. 39-44 of the meeting packet). Ms. Johnson recommended changing the wording at the end of paragraph 3 on page 44 to read, ". . . to allow owners to extend their decks to a maximum of 9 feet into the common area, unless there are extenuating circumstances." Mr. Smith moved (Ms. Johnson seconded) to authorize the attorney to proceed with the letter and proposed amendment regarding the change in the declarations, with the change in wording of the letter as stated above. Motion carried 6 votes to 1 (Mr. LoBosco voted no).
- Snow removal contract: It was discovered that there is no signed contract on file for All American to provide snow removal. The proposed contract (p. 46 of the meeting packet) would be an addendum to a long-standing contract for grounds maintenance. The Board agreed to the addendum.
- Proposal from Stellick Electric: Mr. Smith explained that he had talked with Jim Stellick regarding the lighting issue, and Mr. Stellick had taken the initiative to submit the bids (pp. 47-49 of the meeting packet). The trees around the lights will need to be trimmed for the lights to be most effective. Mr. Smith will request at least 2 bids for tree trimming and will contact the rest of the Board for an email or phone vote. According to agreed-upon procedures, the Board needs to receive at least one additional bid before making a decision on lighting changes.

Correspondence (pp. 50-72 of meeting packet)

- Tan Thunderbird was tagged on 1/19/08 (p. 71 of meeting packet). Mr. Cantrell reported that the car owner sent written notice to Z&R that the car is driven regularly.
- Flooding at 3461/3463 (pp. 57-60 of meeting packet): the owner of 3463 filed a claim with the Homeowner Association insurance, but the claim was denied because this type of loss is not covered by the HOA policy. The situation will need to be settled between the individual owners and their insurance companies.

There being no further Association business, Mr. Smith adjourned the meeting at 8:55 p.m.